

CONSOLIDATED PENSION TRUST
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2004

	October-04					September-04					Current FYTD		Prior Year FY04		3 Years Ended	5 Years Ended
	Allocation		Returns-Month			Allocation		Returns-Quarter			Returns		Returns		6/30/2004	6/30/2004
	Market Value	Actual	Policy(1)	Gross	Net	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
Structured Growth																
LA Capital	122,340,919	4.3%	4.5%	0.13%	0.11%	122,177,966	4.4%	4.5%	-4.09%	-4.17%	-3.96%	-4.06%	N/A	N/A	N/A	N/A
Total Structured Growth	122,340,919	4.3%	4.5%	0.13%	0.11%	122,177,966	4.4%	4.5%	-4.09%	-4.17%	-3.96%	-4.06%	19.57%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				1.56%	1.56%				-5.23%	-5.23%	-3.75%	-3.75%	17.88%	17.88%	-3.74%	-6.48%
Structured Value																
LSV	134,465,506	4.8%	4.5%	-0.14%	-0.17%	134,658,458	4.8%	4.5%	3.19%	3.11%	3.05%	2.94%	29.86%	29.44%	9.20%	8.31%
Russell 1000 Value				1.66%	1.66%				1.54%	1.54%	3.23%	3.23%	21.13%	21.13%	2.96%	0.64%
Enhanced Russell 1000 Index																
LA Capital	164,828,357	5.8%	6.0%	0.74%	0.73%	163,611,628	5.9%	6.0%	-2.20%	-2.24%	-1.47%	-1.53%	18.80%	18.59%	-0.17%	N/A
Russell 1000				1.61%	1.61%				-1.81%	-1.81%	-0.23%	-0.23%	19.48%	19.48%	-0.32%	N/A
Enhanced S&P 500 Index																
Northern Trust	167,639,042	5.9%	6.0%	1.66%	1.64%	164,905,754	5.9%	6.0%	-2.12%	-2.17%	-0.50%	-0.57%	19.24%	19.00%	-0.31%	N/A
Strong	2	0.0%	0.0%	N/A	N/A	137	0.0%	0.0%	N/A	N/A	N/A	N/A	21.40%	21.13%	-0.06%	N/A
Westridge	166,874,559	5.9%	6.0%	1.58%	1.56%	164,286,394	5.9%	6.0%	-1.87%	-1.94%	-0.32%	-0.41%	19.64%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	334,513,603	11.9%	12.0%	1.62%	1.60%	329,192,285	11.8%	12.0%	-2.07%	-2.13%	-0.48%	-0.56%	20.09%	19.81%	-0.24%	N/A
S&P 500				1.53%	1.53%				-1.87%	-1.87%	-0.37%	-0.37%	19.11%	19.11%	-0.69%	N/A
S&P 500 Index																
State Street	85,025,666	3.0%	3.0%	1.53%	1.53%	83,744,625	3.0%	3.0%	-1.86%	-1.87%	-0.36%	-0.37%	19.10%	19.08%	-0.67%	-2.17%
S&P 500				1.53%	1.53%				-1.87%	-1.87%	-0.37%	-0.37%	19.11%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	841,174,051	29.8%	30.1%	0.94%	0.92%	833,384,962	30.0%	30.1%	-1.53%	-1.59%	-0.61%	-0.68%	20.65%	20.38%	0.08%	-2.14%
S&P 500				1.53%	1.53%				-1.87%	-1.87%	-0.37%	-0.37%	19.11%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	289,778,766	10.3%	9.9%	2.31%	2.26%	283,342,400	10.2%	9.9%	-3.45%	-3.59%	-1.21%	-1.42%	34.13%	33.33%	5.76%	N/A
Russell 2000 + 200bp (annually)				2.14%	2.14%				-2.36%	-2.36%	-0.28%	-0.28%	35.99%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	289,778,766	10.3%	9.9%	2.31%	2.26%	283,342,400	10.2%	9.9%	-3.45%	-3.59%	-1.21%	-1.42%	34.13%	33.33%	5.76%	6.81%
Russell 2000				1.97%	1.97%				-2.86%	-2.86%	-0.94%	-0.94%	33.36%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																
Large Cap - Core																
State Street	86,436,378	3.1%	2.9%	3.87%	3.85%	83,378,710	3.0%	2.9%	-1.18%	-1.24%	2.65%	2.57%	27.73%	27.44%	0.42%	-1.44%
MSCI EAFE - 50% Hedged				2.12%	2.12%				-0.72%	-0.72%	1.39%	1.39%	26.98%	26.98%	-1.27%	-1.15%
Large Cap - Active																
Capital Guardian	204,660,562	7.3%	7.3%	2.15%	2.12%	200,589,805	7.2%	7.3%	-1.39%	-1.48%	0.73%	0.61%	25.82%	25.40%	-1.15%	1.54%
Bank of Ireland	42,439,092	1.5%	1.5%	3.53%	3.48%	40,979,689	1.5%	1.5%	-0.92%	-1.07%	2.57%	2.37%	24.33%	23.61%	N/A	N/A
Total Large Cap - Active	247,099,654	8.8%	8.8%	2.38%	2.35%	241,569,494	8.7%	8.8%	-1.31%	-1.41%	1.04%	0.91%	25.57%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				2.12%	2.12%				-0.72%	-0.72%	1.39%	1.39%	26.98%	26.98%	-1.27%	-1.15%
Small Cap - Active																
Lazard	41,365,882	1.5%	1.5%	3.50%	3.46%	43,813,581	1.6%	1.5%	0.88%	0.76%	4.41%	4.24%	45.11%	44.40%	N/A	N/A
Wellington	41,627,897	1.5%	1.5%	3.60%	3.55%	40,191,161	1.4%	1.5%	-4.47%	-4.63%	-1.03%	-1.25%	43.14%	42.26%	N/A	N/A
Total Small Cap - Active	82,993,779	2.9%	2.9%	3.55%	3.50%	84,004,742	3.0%	2.9%	-1.78%	-1.92%	1.71%	1.51%	44.05%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				3.40%	3.40%				-0.82%	-0.82%	2.55%	2.55%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	416,529,811	14.8%	14.7%	2.93%	2.89%	408,952,946	14.7%	14.7%	-1.38%	-1.47%	1.51%	1.38%	29.70%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				2.12%	2.12%				-0.72%	-0.72%	1.39%	1.39%	26.98%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																
Capital Guardian	142,458,984	5.1%	4.8%	2.83%	2.79%	138,597,601	5.0%	4.8%	7.77%	7.64%	10.83%	10.65%	28.53%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				2.40%	2.40%				8.25%	8.25%	10.85%	10.85%	33.50%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	48,955,376	1.7%	1.7%	0.89%	0.88%	48,520,768	1.7%	1.7%	3.72%	3.67%	4.64%	4.58%	2.20%	2.02%	8.00%	8.39%
Lehman Aggregate				0.84%	0.84%				3.20%	3.20%	4.06%	4.06%	0.32%	0.32%	6.35%	6.95%
Active Duration																
WestAM (Criterion)	48,301,829	1.7%	1.7%	0.74%	0.72%	47,942,843	1.7%	1.7%	2.81%	2.75%	3.57%	3.49%	-0.01%	-0.25%	5.14%	6.43%
Lehman Aggregate				0.84%	0.84%				3.20%	3.20%	4.06%	4.06%	0.32%	0.32%	6.35%	6.95%
Index																
Bank of ND	81,708,560	2.9%	2.9%	0.86%	0.86%	81,011,103	2.9%	2.9%	3.47%	3.46%	4.36%	4.34%	-0.97%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	35,026,389	1.2%	1.2%	0.42%	0.42%	34,878,864	1.3%	1.3%	1.21%	1.21%	1.64%	1.64%	5.08%	5.08%	5.57%	5.70%
Total Index	116,734,949	4.1%	4.2%	0.73%	0.73%	115,889,967	4.2%	4.2%	3.06%	3.05%	3.81%	3.80%	0.28%	0.23%	6.79%	6.83%
Lehman Gov/Credit				0.87%	0.87%				3.56%	3.56%	4.45%	4.45%	-0.72%	-0.72%	6.73%	7.10%
Convertibles																
TCW	47,684,317	1.7%	1.7%	1.20%	1.17%	47,122,599	1.7%	1.7%	-3.85%	-3.94%	-2.70%	-2.82%	17.17%	16.74%	0.51%	3.89%
First Boston Convertible Index				0.39%	0.39%				-1.05%	-1.05%	-0.67%	-0.67%	14.44%	14.44%	4.95%	5.78%

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	October-04						September-04						Current FYTD		Prior Year FY04		3 Years Ended 6/30/2004	5 Years Ended 6/30/2004
	Market Value	Allocation Actual	Policy(1)	Returns-Month Gross	Returns-Month Net		Market Value	Allocation Actual	Policy(1)	Returns-Quarter Gross	Returns-Quarter Net		Returns Gross	Returns Net	Returns Gross	Returns Net	Net	Net
BBB Average Quality																		
Strong	48,769,822	1.7%	1.7%	1.30%	1.28%		47,393,768	1.7%	1.7%	4.67%	4.62%		6.03%	5.95%	1.50%	1.29%	6.26%	7.23%
<i>Lehman US Credit BAA</i>				1.03%	1.03%					4.76%	4.76%		5.84%	5.84%	1.23%	1.23%	8.23%	6.60%
Timberland																		
RMK	56,404,544	2.0%	2.0%	0.00%	-0.07%		56,520,765	2.0%	2.0%	4.08%	3.86%		4.08%	3.78%	11.41%	10.46%	N/A	N/A
TIR	107,936,957	3.8%	3.8%	0.00%	-0.07%		107,936,957	3.9%	3.9%	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A
Total Timberland	164,341,501	5.8%	5.8%	0.00%	-0.07%		164,457,722	5.9%	5.9%	4.08%	3.86%		4.08%	3.78%	11.41%	10.46%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	474,787,794	16.8%	16.7%	0.60%	0.56%		471,327,667	17.0%	16.7%	2.79%	2.69%		3.41%	3.27%	5.45%	5.08%	6.35%	7.34%
<i>Lehman Aggregate</i>				0.84%	0.84%					3.20%	3.20%		4.06%	4.06%	0.32%	0.32%	6.35%	6.95%
HIGH YIELD BONDS																		
Loomis Sayles	84,700,217	3.0%	2.9%	2.65%	2.61%		84,410,330	3.0%	2.9%	6.36%	6.23%		9.17%	9.01%	N/A	N/A	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				1.79%	1.79%					4.85%	4.85%		6.72%	6.72%	N/A	N/A	N/A	N/A
Sutter/Wells Capital	83,803,396	3.0%	2.9%	1.75%	1.71%		84,325,933	3.0%	2.9%	4.32%	4.20%		6.14%	5.98%	N/A	N/A	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				1.89%	1.89%					4.63%	4.63%		6.61%	6.61%	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	168,503,613	6.0%	5.8%	2.20%	2.16%		168,736,263	6.1%	5.8%	5.33%	5.21%		7.64%	7.48%	7.96%	7.69%	6.68%	2.79%
<i>Lehman High Yield Bond Index</i>				1.81%	1.81%					4.85%	4.85%		6.74%	6.74%	10.33%	10.33%	9.30%	4.78%
INTERNATIONAL FIXED INCOME																		
International Sovereign																		
UBS Global (Brinson)	70,734,768	2.5%	2.5%	3.62%	3.59%		68,266,260	2.5%	2.5%	3.16%	3.06%		6.89%	6.76%	8.29%	7.86%	14.20%	6.47%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				3.53%	3.53%					3.29%	3.29%		6.93%	6.93%	7.59%	7.59%	13.65%	6.84%
International Core																		
Brandywine	70,984,278	2.5%	2.5%	2.89%	2.86%		70,279,825	2.5%	2.5%	4.84%	4.74%		7.87%	7.73%	10.09%	9.65%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				3.46%	3.46%					3.49%	3.49%		7.07%	7.07%	5.20%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	141,719,046	5.0%	5.0%	3.25%	3.22%		138,546,085	5.0%	5.0%	4.00%	3.90%		7.38%	7.24%	9.21%	8.78%	14.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				3.53%	3.53%					3.29%	3.29%		6.93%	6.93%	7.59%	7.59%	13.65%	6.84%
REAL ESTATE																		
JMB	20,107			0.00%	0.00%		20,107			16.49%	16.49%		16.49%	16.49%	1.45%	1.45%	-5.90%	-3.04%
INVESCO	85,474,372			3.95%	3.89%		82,276,103			-5.72%	-5.91%		-1.99%	-2.25%	7.56%	6.72%	5.80%	7.59%
J.P. Morgan	92,631,653			0.21%	0.12%		92,520,835			4.11%	3.83%		4.32%	3.96%	12.29%	11.11%	7.63%	9.54%
TOTAL REAL ESTATE	178,126,132	6.3%	6.8%	1.97%	1.89%		174,817,045	6.3%	6.8%	-0.64%	-0.88%		1.31%	1.00%	9.92%	8.87%	6.70%	8.55%
<i>NCREIF Total Index</i>				1.13%	1.13%					3.42%	3.42%		4.59%	4.59%	10.82%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS																		
Brinson IVCF III	1,055,213			0.00%	0.00%		1,055,213			2.48%	2.48%		2.48%	2.48%	18.99%	16.88%	16.12%	56.18%
Brinson IVCF II	168,265			0.00%	0.00%		169,353			0.40%	0.40%		0.40%	0.40%	22.02%	19.39%	-7.72%	4.43%
Coral Partners II	121,653			0.00%	0.00%		120,310			-0.35%	-0.35%		-0.35%	-0.35%	19.27%	14.14%	-16.27%	-15.91%
Coral Partners V	11,410,083			0.00%	0.00%		11,958,979			6.37%	6.37%		6.37%	6.37%	-25.93%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	1,347,540			0.00%	0.00%		1,422,238			2.37%	2.37%		2.37%	2.37%	33.65%	30.44%	N/A	N/A
Coral Partners VI	7,459,467			0.00%	0.00%		7,734,360			-0.28%	-0.28%		-0.28%	-0.28%	-10.55%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	3,421,229			0.00%	0.00%		3,421,229			3.37%	3.37%		3.37%	3.37%	11.61%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	5,100,338			0.00%	0.00%		5,100,338			0.48%	0.48%		0.48%	0.48%	16.96%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	9,447,341			0.00%	0.00%		9,447,341			3.01%	3.01%		3.01%	3.01%	13.42%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	4,268,312			0.00%	0.00%		4,268,312			0.81%	0.81%		0.81%	0.81%	8.79%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	2,402,968			0.00%	0.00%		2,402,968			-4.97%	-4.97%		-4.97%	-4.97%	16.72%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	523,716			0.00%	0.00%		321,766			-2.71%	-2.71%		-2.71%	-2.71%	-2.69%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	2,947,330			0.00%	0.00%		2,947,330			5.73%	5.73%		5.73%	5.73%	23.78%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	3,593,731			0.00%	0.00%		3,593,731			3.24%	3.24%		3.24%	3.24%	17.95%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	2,195,090			0.00%	0.00%		2,195,090			0.86%	0.86%		0.86%	0.86%	19.23%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	3,580,902			0.00%	0.00%		3,580,902			0.27%	0.27%		0.27%	0.27%	21.31%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	773,839			0.00%	0.00%		773,839			-0.12%	-0.12%		-0.12%	-0.12%	-1.75%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	150,085			0.00%	0.00%		150,085			0.09%	0.09%		0.09%	0.09%	N/A	N/A	N/A	N/A
Brinson BVCF IV	17,346,843			0.00%	0.00%		16,889,025			6.66%	6.66%		6.66%	6.66%	22.67%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	16,552,490			0.00%	0.00%		16,552,490			-3.26%	-3.26%		-3.26%	-3.26%	14.70%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	10,000,000			0.00%	0.00%		-			N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A
InvestAmerica	3,804,507			0.00%	0.00%		3,804,507			17.28%	17.28%		17.28%	17.28%	3.42%	-7.73%	N/A	N/A
Hearthstone MSII	1,147,944			0.00%	0.00%		433,503			106.69%	106.69%		106.69%	106.69%	68.88%	28.64%	20.32%	N/A
Hearthstone MSIII	19,902,837			0.00%	0.00%		19,655,938			-0.08%	-0.08%		-0.08%	-0.08%	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	128,721,723	4.6%	4.8%	0.00%	0.00%		117,998,847	4.2%	4.8%	3.16%	3.16%		3.16%	3.16%	8.43%	3.03%	-13.22%	-0.85%
CASH EQUIVALENTS																		
Northern Trust STIF/STEP	38,598,245	1.4%	1.5%	0.15%	0.13%		43,398,683	1.6%	1.5%	0.49%	0.44%		0.64%	0.57%	1.64%	1.44%	1.86%	3.48%
<i>90 Day T-Bill</i>				0.12%	0.12%					0.37%	0.37%		0.49%	0.49%	0.98%	0.98%	1.71%	3.29%
TOTAL PENSION TRUST	2,820,398,165	100.0%	100.0%	1.61%	1.58%		2,779,102,499	100.0%	100.0%	0.39%	0.30%		2.01%	1.88%	18.48%	17.79%	4.10%	3.28%
POLICY TARGET BENCHMARK				1.58%	1.58%					0.82%	0.82%		2.42%	2.42%	16.53%	16.53%	3.75%	2.43%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.